Appointment of CMD of IDBI

3896. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state : (a) what are the norms prescribed for the appointment of CMD of IDBI;

(b) whether the proposed CMD, who has recently been approved by Government fulfils the stipulated norms and if not, what are the reasons for approving his name for that post; and

(c) whether it is a fact that a number of serious allegations are pending against him and if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) The following norms were prescribed for calling for applications for appointment as CMD, IDBI :-

(i) The applicant should preferably be a graduate with economics/commerce and in the age group of 50-55 years but in any case should not be more than 58 years of age as on 1 st February, 2001.

(ii) The applicant should have experience of 25 years in financial institutions or banks, of which 7 years should be in a senior position not below the rank of General Manager of banks/ financial institutions.

(b) and (c) The proposal for appointment of CMD, IDBI is under consideration of the Government.

Fresh Loans to Farmers for Agricultural Activities

3897. DR. DASARI NARAYANA RAO: Will the Minister of FINANCE be pleased to state : (a) whether Government/ RBI have advised the Banks not to recover either principal or interest from the affected farmers for a certain period in drought affected areas of the country particularly in Andhra Pradesh;

(b) if so, the details thereof; if not, the reasons therefor;

(c) whether banks were also directed to give fresh loans to the farmers to start agricultural activities in such areas; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) Reserve Bank of India (RBI) had issued standing guidelines to banks in August, 1984 to be followed by them for providing relief in areas affected by natural calamities such as floods, droughts, cyclones, etc. without waiting for instructions from RBI each time. These guidelines envisage, *inter-alia,* conversion of short-term production loans into medium-term loans, rescheduling/postponement of existing term loan instalments; provision of additional need-based crop loans/working capital, relaxation in security and margin norms, etc. These guidelines were further modified in June, 1998 with a view to allow more discretion to banks to decide upon the quantum of relief assistance to be provided to the affected farmers. The modified guidelines, *inter-alia,* permit banks to convert/ reschedule loans from 3 to 9 years depending upon the successive crop failure/intensity of damage to crops, grant fresh crop loans to affected farmers; convert principal as well as interest due on the existing loans; grant consumption loans, not to treat portion of converted/rescheduled loans as Non-Performing Assets, not to compound interest in respect of loans converted/rescheduled, etc.

Weeding out of corruption

3898. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item captioned "Weeding out the roots of corruption" which appeared in the Hindu on 17th June, 2001;

(b) whether a NGO named Parivartan is helping people not to pay bribes to officials of various public dealing departments; and

(c) if so, what is Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The news-item dated 17.6.2001 appears in the edition dated 18.6.2001 of the "Hindu".

(b) No specific case of corruption was brought to the notice of LT. Department by Parivartan.